

13 August 1957

ATTN : Chief, St/I/R
THRU : Chief, D/S
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Soviet Loans to Bulgaria

REF : 1.

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BACKGROUND

In 1947 the USSR granted Bulgaria an investment credit of \$5 million, which was to be paid back in five years. In February 1956 a credit totaling \$92.5 million was extended to Bulgaria by the USSR; repayment was to be made over a 10 year period. One year later, February 1957, the USSR granted Bulgaria another credit of \$50 million. Reports indicate that the USSR agreed in October 1956 to lend Bulgaria 70,000 tons of wheat to be delivered in the Spring of 1957. (Ref. 1). Included in the USSR-Bulgaria Protocol of 12 January 1957 was a USSR loan of wheat to Bulgaria, which was to be repaid within 3 years beginning with the 1957 harvest.

REQUIREMENTS

In the subject report it was stated that because of Khrushchev's reorganization in the USSR the Bulgarian government has ceased paying back the Soviet loan. (Ref. 2).

Any information on the following questions would be of particular use:

1. To which loan was Source referring in Reference 2?
2. Is there any further information to substantiate this cancellation?
3. In what way did Khrushchev's reorganization bring about this cancellation?
4. Is the wheat loan granted by the USSR to Bulgaria in January 1957, separate and in addition to the October 1956 wheat loan?
5. What was the quantity and/or value of the January 1957 wheat loan?

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